

Jobs & Economic Development

Final Agenda

Louisville Metro Council

Meeting Date: 02/16/2006

Meeting Time: 3:00 PM

Location: Third Floor, City Hall

Chairs: Hal Heiner (19)

Members: Leonard Watkins (1)
David Tandy (4)
Tom Owen (8)
George Melton (15)
Kelly Downard (16)
Hal Heiner (19)
Stuart Benson (20)

Special Items for Discussion:

- 1 [O-20-02-06](#) AN ORDINANCE GRANTING A TELECOMMUNICATIONS SERVICES FRANCHISE TO LOUISVILLE DATA LINK, INC. PURSUANT TO SECTION 116.70 ET SEQ. OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT CODE OF ORDINANCES [LMCO]; AND TERMINATING A PREVIOUS FRANCHISE APPROVED BY JEFFERSON COUNTY RESOLUTION 55, SERIES, 2002.
[Sponsor\(s\)](#) [Jobs & Economic Development](#)
- 2 [R-21-02-06](#) A RESOLUTION APPROVING THE GRANTING OF LOCAL INDUCEMENTS TO MERCER HUMAN RESOURCE CONSULTING, INC. PURSUANT TO KRS CHAPTER 154, SUBCHAPTERS 24 AND 26.
[Sponsor\(s\)](#) [1 Attach.](#) [Jobs & Economic Development](#)
- 3 [R-22-02-06](#) A RESOLUTION APPROVING THE GRANTING OF LOCAL INDUCEMENTS TO UPS SUPPLY CHAIN SOLUTIONS, INC. [PHASE

FOUR PROJECT] PURSUANT TO KRS CHAPTER 154,
SUBCHAPTERS 24 AND 26.

[Sponsor\(s\)](#) [1 Attach.](#) [Jobs & Economic Development](#)

- 4 [R-24-02-06](#) A RESOLUTION AMENDING AND REENACTING RESOLUTION 92, SERIES 2005 OF THE LOUISVILLE/JEFFERSON COUNTY METRO COUNCIL; AND APPROVING THE GRANTING OF LOCAL INDUCEMENTS TO UNITED PARCEL SERVICE, INC., UPS CARTAGE SERVICES, INC. AND UNITED PARCEL SERVICE CO., PURSUANT TO KRS CHAPTER 154, SUBCHAPTERS 24 AND 26.

[Sponsor\(s\)](#) [1 Attach.](#) [Jobs & Economic Development](#)

ORDINANCE NO. _____, SERIES 2006

AN ORDINANCE GRANTING A TELECOMMUNICATIONS SERVICES FRANCHISE TO LOUISVILLE DATA LINK, INC. PURSUANT TO SECTION 116.70 ET SEQ. OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT CODE OF ORDINANCES [LMCO]; AND TERMINATING A PREVIOUS FRANCHISE APPROVED BY JEFFERSON COUNTY RESOLUTION 55, SERIES, 2002.

SPONSORED BY: Councilwoman Julie Adams

WHEREAS, LMCO 116.70 et seq. [the “Telecommunications Services Ordinance”] provides for the grant of franchises to eligible communications services providers for the right and privilege to construct, own, operate, repair, replace, and maintain facilities in, through, and along public rights of way within Jefferson County; and

WHEREAS, Louisville Data Link, Inc. has submitted the requisite application pursuant to LMCO 116.71(D) and 116.74(B), which application has been reviewed and approved by the Director of the Metro Department of Public Works; and

WHEREAS, Jefferson County Resolution No. 55, Series 2002 granted Louisville Data Link, Inc. a Communications System Franchise effective September 10, 2002 for a term of ten years, which franchise Louisville Data Link, Inc. wishes to terminate in favor of a new franchise granted pursuant to LMCO 116.70 et seq.

BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE COUNCIL) AS FOLLOWS:

Section I: GRANT OF FRANCHISE

A non-exclusive telecommunications services franchise is hereby granted to Louisville Data Link, Inc. subject to all the terms, conditions, and restrictions set forth in the Telecommunications Services Ordinance for the right to construct, own, operate, repair, replace, and maintain facilities in, through, and along Metro Louisville rights of way pursuant to (a) the terms, conditions, and representations set forth in its application, (b) the provisions of the Telecommunications Services Ordinance, and (c) to the extent such does not impair the rights of any other franchisee under the terms of its franchise.

SECTION II: Term

The term of the franchise granted herein shall be fifteen (15) years from the effective date of this ordinance.

SECTION III: Termination of Previous Franchise

The franchise granted to Louisville Data Link, Inc. by Jefferson County Resolution No. 55, Series 2002, effective September 10, 2002 is terminated as of the effective date of this ordinance.

SECTION IV: Effective Date

This ordinance shall take effect upon its passage and approval, and upon compliance by Louisville Data Link, Inc. with LMCO Sections 116.71(F)(1) through (4).

Kathleen J. Herron
Metro Council Clerk

Kevin J. Kramer
President of the Council

Jerry E. Abramson
Mayor

Approved: _____
Date

APPROVED AS TO FORM AND LEGALITY:

Irv Maze
Jefferson County Attorney

BY: _____

Telecom Services Franchise - Louisville Data Link - 26 July 2005 roc/wtw/25 January 2006

RESOLUTION NO._____, SERIES 2006

**A RESOLUTION APPROVING THE GRANTING OF
LOCAL INDUCEMENTS TO MERCER HUMAN
RESOURCE CONSULTING, INC. PURSUANT TO KRS
CHAPTER 154, SUBCHAPTERS 24 AND 26.**

SPONSORED BY: Councilman David Tandy, District 4

WHEREAS, the Legislative Council of the Louisville/Jefferson County Metro Government (the Council) finds that it is a legitimate public purpose of the Louisville/Jefferson County Metro Government (“Metro”) to undertake activities for the purpose of attracting and retaining jobs for residents of this community; and

WHEREAS, the Kentucky General Assembly in 1992 enacted KRS 154.24-010 to 154.24-150 establishing the Kentucky Jobs Development Authority (“KJDA”) for the purpose of encouraging the development and expansion of the service and technology industry in Kentucky; and

WHEREAS, the Kentucky General Assembly in that same year also enacted KRS 154.26-010 to 154.26-100 establishing the Kentucky Industrial Revitalization Authority (“KIRA”) for the purpose of revitalizing existing businesses within the Commonwealth; and

WHEREAS, both of these programs provide state inducements to businesses which locate in or remain in the Commonwealth, thus creating and preserving jobs for Kentuckians; and

WHEREAS, both programs encourage local governments to participate in these inducements for businesses within their jurisdictions; and

WHEREAS, the Council finds that offering the local inducements authorized by KJDA or KIRA for the purpose of attracting and retaining businesses is in furtherance of the public purposes of Metro and will benefit Metro by creating new sources of tax; and

WHEREAS, Mercer Human Resource Consulting, Inc. has applied for the benefits allowed under KJDA or KIRA .

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE COUNCIL) AS FOLLOWS:

Section 1: That the Council does approve the granting of inducements to the following company which is undertaking a project approved pursuant to KRS 154.24-010 to KRS 154.24-150 or KRS 154.26-010 to KRS 154.26-100. This company is:

**MERCER HUMAN RESOURCE CONSULTING, INC.
PHASE TWO PROJECT**

Section 2: That the Mayor and other appropriate officers and employees of Louisville/Jefferson County Metro are authorized and directed to execute, acknowledge and deliver on behalf of Louisville/Jefferson County Metro any and all papers, instruments, certificates, affidavits and other documents; and to do and cause to be done any and all acts and things necessary or proper for the granting of the inducements authorized by the Acts and this Resolution.

Section 3: No portion of the funds derived by the company from the granting of the inducements herein shall be used by the company for any purposes designed to prevent, limit, discourage or restrict union activities within the company.

**Kathleen J. Herron
Metro Council Clerk**

**Kevin J. Kramer
President of the Council**

Jerry E. Abramson, Mayor

Approved: _____
Date

Approved as to Form and Legality:

**Irv Maze
Jefferson County Attorney**

By: _____



Business Location Facts

Louisville Metro Council - Development Committee
District # 4, David Tandy

Corporate Information: Mercer Human Resource Consulting, Inc.
1166 Avenue of the Americas
New York, NY 10036

Category: Expansion

Metro Location: 462 South Fourth Street, Ste 1100
Louisville, KY 40202

Web Site: www.mercerhr.com

Business/Project Description: Mercer Human Resource Consulting, Inc. is one of the leading employee benefits, compensation and human resources consulting firms. With more than 13,000 employees serving clients from some 145 cities and 41 countries and territories, Mercer helps clients understand, develop, implement and quantify the effectiveness of their human resource programs and policies. This local expansion project within their valuation services center will be a centralized resource for Mercer's consulting offices nationally for the completion of pension valuations and related services. The center will be staffed by experienced and newly hired analysts responsible for preparing the programs, calculating liabilities and drafting reports and client presentations documenting valuation results.

Local Participation: Recommended local occupational tax participation level is **1%**.

KEDFA Readings

Preliminary Approval Date:	September 29, 2005
Final Approval Date:	Expected September 2006
Activation Date:	Expected September 2007

Investment and Employment:

Existing Local Employment: 467	Total Square Footage: 20,000
Jobs to be created at activation: 103	Ultimate Investment: \$1,200,000
Average F/T Salary: \$63,689	New Payroll at activation: \$6,560,000

Local Annual Economic Impact at Activation (year one):

	Direct Impact	Total Impact
Projected tax revenues	\$135,323	\$232,228
*Local KJDA benefits	\$66,600	\$65,600
Net benefit to community (Local new taxes, less incentives)	\$69,723	\$166,628

*State to Local Participation Ratio is 80% to 20%

Resolution Sponsored by: Councilman Tandy

RESOLUTION NO._____, SERIES 2006

**A RESOLUTION APPROVING THE GRANTING OF
LOCAL INDUCEMENTS TO UPS SUPPLY CHAIN
SOLUTIONS, INC. [PHASE FOUR PROJECT]
PURSUANT TO KRS CHAPTER 154, SUBCHAPTERS
24 AND 26.**

SPONSORED BY: Councilman David Tandy, District 4

WHEREAS, the Legislative Council of the Louisville/Jefferson County Metro Government (the Council) finds that it is a legitimate public purpose of the Louisville/Jefferson County Metro Government (“Metro”) to undertake activities for the purpose of attracting and retaining jobs for residents of this community; and

WHEREAS, the Kentucky General Assembly in 1992 enacted KRS 154.24-010 to 154.24-150 establishing the Kentucky Jobs Development Authority (“KJDA”) for the purpose of encouraging the development and expansion of the service and technology industry in Kentucky; and

WHEREAS, the Kentucky General Assembly in that same year also enacted KRS 154.26-010 to 154.26-100 establishing the Kentucky Industrial Revitalization Authority (“KIRA”) for the purpose of revitalizing existing businesses within the Commonwealth; and

WHEREAS, both of these programs provide state inducements to businesses which locate in or remain in the Commonwealth, thus creating and preserving jobs for Kentuckians; and

WHEREAS, both programs encourage local governments to participate in these inducements for businesses within their jurisdictions; and

WHEREAS, the Council finds that offering the local inducements authorized by KJDA or KIRA for the purpose of attracting and retaining businesses is in furtherance of the public purposes of Metro and will benefit Metro by creating new sources of tax revenue for the support of the public services provided by Metro; and

WHEREAS, Resolution No. 91, Series 2005, was adopted on April 28, 2005 by the Council, and signed by the Mayor April 29, 2005 (as amended by Resolution 190, Series 2005);; which resolution granted certain inducements pursuant to the Kentucky Jobs Development Authority or the Kentucky Industrial Revitalization Authority to UPS Supply Chain Solutions, Inc.; and

WHEREAS, UPS Supply Chain Solutions, Inc. continues to qualify for the local inducements authorized in the prior Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE COUNCIL) AS FOLLOWS:

Section 1: That the Council does approve the granting of inducements to the following company which is undertaking a project approved pursuant to KRS 154.24-010 to KRS 154.24-150 or KRS 154.26-010 to KRS 154.26-100. This company is:

**UPS SUPPLY CHAIN SOLUTIONS INC..
PHASE FOUR PROJECT**

Section 2: That the Mayor and other appropriate officers and employees of Louisville/Jefferson County Metro are authorized and directed to execute, acknowledge and deliver on behalf of Louisville/Jefferson County Metro any and all papers, instruments, certificates, affidavits and other documents; and to do and cause to be done any and all acts and things necessary or proper for the granting of the inducements authorized by the Acts and this Resolution.

Section 3: No portion of the funds derived by the company from the granting of the inducements herein shall be used by the company for any purposes designed to prevent, limit, discourage or restrict union activities within the company.

Kathleen J. Herron
Metro Council Clerk

Kevin J. Kramer
President of the Council

Jerry E. Abramson, Mayor

Approved: _____
Date _____

Approved as to Form and Legality:

Irv Maze
Jefferson County Attorney

By: _____

UPS Supply Chain Solutions - PHASE FOUR - 25 Jan 2006 roc/wtw



Business Location Facts

Louisville Metro Council - Development Committee
District # 13, Ron Weston

Corporate Information: UPS Supply Chain Solutions, Inc
12380 Morris Road
Alpharetta, GA 30005

Category: Expansion
(health campus#4)

Metro Location: 1920 Outer Loop
Louisville, KY 40219

Web Site: www.ups-scs.com

Business/Project Description: A division of United Parcel Service, UPS Supply Chain Solutions (UPS-SCS) was created in 2003 from the integration of existing subsidiaries and acquisitions. UPS-SCS manages every aspect of their customer's global supply chains, from transportation management to logistics and distribution to custom brokerages and international trade services. UPS-SCS also provides specific services to customers in the healthcare industry. Having opened a health-dedicated facility in 2004, this project involves constructing an additional facility nearby to accommodate new contracts. The total project cost is estimated at \$45,800,000, with 11,500,000 for new equipment and infrastructure and \$34,300,000 for land and building. KJDA Start-up costs are limited to 50% of \$20,000 per employee (382) or \$7,640,000 total. They plan to create 382 jobs initially at an average salary of \$28,194 per year.

Local Participation: Recommended local occupational tax participation level is **.5%**.

KEDFA Readings

Preliminary Approval Date:	September 29, 2005
Final Approval Date:	Expected September 2006
Activation Date:	Expected September 2007

Investment and Employment:

Existing Local Employment: 2500	Total Square Footage: 18,000
Jobs to be created at activation: 382	Ultimate Investment: \$45,800,000
Average F/T Salary: \$28,194	New Payroll at activation: \$10,769,949

Local Annual Economic Impact at Activation (year one):

	Direct Impact	Total Impact
Projected tax revenues	\$472,600	\$634,144
*Local KJDA benefits	\$53,851	\$52,851
Net benefit to community (Local new taxes, less incentives)	\$418,749	\$581,293

*State to Local Participation Ratio is 92.4% to 7.6%

Resolution Sponsored by: Councilman Tandy

RESOLUTION NO._____, SERIES 2006

A RESOLUTION AMENDING AND REENACTING RESOLUTION 92, SERIES 2005 OF THE LOUISVILLE/JEFFERSON COUNTY METRO COUNCIL; AND APPROVING THE GRANTING OF LOCAL INDUCEMENTS TO UNITED PARCEL SERVICE, INC., UPS CARTAGE SERVICES, INC. AND UNITED PARCEL SERVICE CO., PURSUANT TO KRS CHAPTER 154, SUBCHAPTERS 24 AND 26.

SPONSORED BY: Councilman David Tandy, District 4

WHEREAS, the Legislative Council of the Louisville/Jefferson County Metro Government (the Council) finds that it is a legitimate public purpose of the Louisville/Jefferson County Metro Government (“Metro”) to undertake activities for the purpose of attracting and retaining jobs for residents of this community; and

WHEREAS, the Kentucky General Assembly in 1992 enacted KRS 154.24-010 to 154.24-150 establishing the Kentucky Jobs Development Authority (“KJDA”) for the purpose of encouraging the development and expansion of the service and technology industry in Kentucky; and

WHEREAS, the Kentucky General Assembly in that same year also enacted KRS 154.26-010 to 154.26-100 establishing the Kentucky Industrial Revitalization Authority (“KIRA”) for the purpose of revitalizing existing businesses within the Commonwealth; and

WHEREAS, both of these programs provide state inducements to businesses which locate in or remain in the Commonwealth, thus creating and preserving jobs for Kentuckians; and

WHEREAS, both programs encourage local governments to participate in these inducements for businesses within their jurisdictions; and

WHEREAS, the Council finds that offering the local inducements authorized by KJDA or KIRA for the purpose of attracting and retaining businesses is in furtherance of the public purposes of Metro and will benefit Metro by creating new sources of tax revenue for the support of the public services provided by Metro; and

WHEREAS, Resolution 92, Series 2005 was adopted April 28, 2005 by the Louisville/Jefferson County Metro Council and signed by the Mayor April 29, 2005, which resolution granted certain inducements pursuant to the Kentucky Jobs Development Authority to United Parcel Service, Inc. (OH) [the "Resolution"]; and

WHEREAS, United Parcel Service, Inc. (OH), has applied to have inducements granted under the Resolution extended to its affiliates, UPS Cartage Services, Inc. and United Parcel Co., which application has been approved by the Kentucky Jobs Development Authority; and

WHEREAS, United Parcel Service, Inc. (OH), UPS Cartage Services, Inc., and United Parcel Co. qualify for the local inducements authorized in the Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE COUNCIL) AS FOLLOWS:

Section 1. That Resolution 92, Series 2005 of the Louisville/Jefferson County Metro Council , be amended and reenacted to provide inducements under the Kentucky Jobs Development Act to **United Parcel Service, Inc. (OH), UPS Cartage Services, Inc., and United Parcel Co.**

Section 2: That the Council does approve the granting of inducements to the following company and its two corporate affiliates which are undertaking projects approved pursuant to KRS 154.24-010 to KRS 154.24-150 or KRS 154.26-010 to KRS 154.26-100. These companies are:

**UNITED PARCEL SERVICE, INC. (OH)
UPS CARTAGE SERVICES, INC.
UNITED PARCEL SERVICE. CO.**

Section 3: That the Mayor and other appropriate officers and employees of Louisville/Jefferson County Metro are authorized and directed to execute,

acknowledge and deliver on behalf of Louisville/Jefferson County Metro any and all papers, instruments, certificates, affidavits and other documents; and to do and cause to be done any and all acts and things necessary or proper for the granting of the inducements authorized by the Acts and this Resolution.

Section 4: No portion of the funds derived by the company from the granting of the inducements herein shall be used by the company for any purposes designed to prevent, limit, discourage or restrict union activities within the company.

Section 5. This resolution shall take effect upon its passage and approval.

Kathleen J. Herron
Metro Council Clerk

Kevin J. Kramer
President of the Council

Jerry E. Abramson, Mayor

Approved: _____
Date

Approved as to Form and Legality:

Irv Maze
Jefferson County Attorney

By: _____



Business Location Facts
Louisville Metro Council - Development Committee
District: 21

Corporate Information: United Parcel Service, Inc. (OH)
1400 North Hurstbourne Parkway
Louisville, KY 40223

Category:
NAME CHANGE
AMENDMENT

Metro Location: UPS-Worldport,
Standiford Field Airport
(If different from above)

Web Site: www.ups.com

Name Change Request Details: Resolution No. 92, Series 2005 approved local assessments for United Parcel Service, Inc. (OH) under the KJDA program. UPS wishes to involve two of its affiliates, **UPS Cartage Services, Inc.**, a Delaware corporation, and **United Parcel Service Co.**, also a Delaware corporation, in the heavy freight project on a basis which will allow each to impose assessments on their employees there as well. This current resolution request is to amend the original resolution, NO. 92, Series 200 to authorize the above affiliates to impose assessments in connection with the above project.

Business/ORIGINAL Project Description: Founded in 1907, UPS has grown into a \$30 billion corporation focused on enabling global commerce. UPS has become the world's largest package delivery company and a leading global provider of specialized transportation and logistics services. Daily, they manage the flow of goods, funds, and information in more than 200 countries and territories worldwide. In October 2004, UPS announced that it had agreed to acquire Menlo Worldwide Forwarding. This will provide UPS Air Cargo with added capabilities to offer international air and ocean forwarding, North American overnight, expedited, second-day and deferred air freight, customs brokerage and project management services for large scale cargo. As a result, UPS is proposing to expand their current operations at Louisville International Airport – UPS Worldport with a large cargo hub facility. This project would yield a total investment in excess of \$82 million. Approximately 118 new KY jobs with an average salary of \$50,000 would be created.

Local Participation: Recommended local occupational tax participation level is 1% and should be applicable for employees of the following three entities: **United Parcel Service, Inc. (OH)**, **UPS Cartage Services, Inc.**, and **United Parcel Service Co.**

KEDFA Readings

Preliminary Approval Date:	February 24, 2005
Projected Final Approval Date:	February 2006
Projected Activation Date:	February 2007

Investment and Employment:

Existing Local Employment: 24,000+	Total Square Footage: 785,257
Jobs to be created at activation: 118	Ultimate Investment: \$82,475,188
Average F/T Salary: \$50,312	New Payroll at activation: \$6,438,660

Local Annual Economic Impact at Activation (year one of credits):

	Direct Impact (spin-off)	Total Impact
Projected tax revenues	\$575,918	\$664,996
*Local KJDA benefits	\$59,368	\$59,368
Net benefit to community (Local new taxes, less incentives)	\$516,550	\$605,628

***State to Local Participation Ratio is 90.5% to 9.5%**